

Statewide E-Government Steering Committee E-Grants for Transforming State Government Policy

Criteria for Receiving Funding for E-Government Application Projects
August 7, 2000

1. Role of Statewide E-Government Steering Committee

The role of the Statewide E-Government Steering Committee is to provide overall direction, leadership and coordination for the State's e-government initiative. This includes agency application projects and the building of the statewide infrastructure services for enabling the State to serve its citizens in a more timely, personalized and cost-effective manner and improve the performance of its programs. Concurrently, the State must protect the privacy of individuals and ensure the confidentiality of information in its e-government endeavors.

The intent is to realize the benefits from employing common business processes and the sharing of common technical services by:

- Taking advantage of synergy by combining resources to obtain capabilities that would not be achievable through separate efforts.
- Employing leverage by, where possible, building upon existing resources to develop new capabilities faster and cheaper.
- Realizing economies of scale by reducing unit costs through the consolidation of efforts and transactions to achieve volume discounts, reuse common technical components and share common technical services.
- Achieve the 'critical mass' of fiscal, personnel and technical resources necessary to build an infrastructure and applications that provide scalability, flexibility and extensibility and ensure successful implementations.

To satisfy these intentions, the Statewide E-Government Steering Committee must ensure that e-grant funding supports e-government application projects that comply with the Committee's following goals and objectives:

- Citizen-centric approach.
- Shared vision among agencies for common business models/processes and shared technical infrastructure/services.
- Standards-based approach for infrastructure and applications (components work together and are as reusable as possible).

2. Definitions for Identifying E-Government Application Projects

E-Government refers to government's use of web-based technologies, Internet communications and, in many cases, interconnected applications to:

- Facilitate communications and enhance the access to and delivery of government information and services to citizens, businesses, employees and other governments.
- Improve the efficiency, effectiveness and performance of business processes and programs.

E-Government application projects have one or more of the following defining characteristics:

- Provide direct self-service access and delivery of government information, products or services.
- Enhance the State's participation in the new electronic communities for improved operational efficiencies and effectiveness.
- Create new methods of communications and interactions with the public and among employees.

3. Intentions of the E-Grants Selection Process

The primary intention of offering e-grants is to fund the development and implementation of e-government application projects that will offer immediate and highly beneficial returns. These applications will make use of the statewide portal and other e-government infrastructure resources to demonstrate the citizen service and/or cost saving results from the employment of e-government business concepts and technologies. These applications should be operational in the near-term, ideally within the next six months and certainly by the end of the current fiscal year.

The e-grants evaluation process will employ capital investment (i.e., portfolio analysis) methodologies to select E-Government application projects that qualify for receiving funds from the Statewide E-Government Incentive Fund. These projects offer maximum benefits in the most cost-effective ways for:

- Achieving agency missions.
- Providing personalized and timely services to citizens.
- Enhancing program performance.
- Improving business operations.

4. Eligibility for Receiving E-Grants

All agencies under the auspices of the IRMC are eligible for receiving e-grants in support of e-government application projects. The University System, individual local education agencies, the individual community colleges, and local governments are ineligible.

5. Types of Costs Covered by E-Grants and On-Going Agency Responsibilities

E-grants are intended to cover one-time application development and implementation expenses. All normally expected costs involved in the development and implementation of an e-government application may be included in an e-grant, such as hardware, software, and outside consulting. Internal agency personnel costs are excluded. Agencies are responsible for the on-going operation, maintenance, and other support costs for e-government applications receiving e-grant funds.

Ratified House Bill 1854 allows agencies and third parties to collect transaction fees for e-commerce applications and to establish agency reserves for these funds. It also establishes an approval process for the fees.

6. Timetable for Submission of Applications for E-Grants

The timetable for the submission and approval of e-grants is highlighted in the table below.

Timeframe (2000)	Action
July 27-31	Statewide E-Government Steering Committee approves e-grant policy and E-Government Project Office issues e-grant application instructions
August 31	Agencies submit e-grant application requests to the E-Government Project Office for evaluation and recommendation
September 28	Statewide E-Government Steering Committee selects e-grant winners - all current funding will be allocated at this time

7. Relation Between the E-Grant Application Process and the IRMC Project Certification Process

Project certification by the IRMC is not required prior to the submission of applications for e-grants to the Statewide E-Government Steering Committee. E-grants may be approved provisionally by the Statewide E-Government Steering Committee based on future project certification by the IRMC. It is anticipated that most e-government projects will be considered to be major or strategic projects; therefore, they must comply with the IRMC's requirements for certification regardless of cost.

8. Evaluation Criteria For Selecting E-Government Application Projects to Receive E-Grants

- Impact in transforming state government - the intent of the funding for each e-grant is to move state government to a more service oriented position. Therefore, candidate applications should focus on the enabling of services and transactions among citizens, agencies and/or other government organizations, rather than just the providing of or the exchange of information.
- Certification of alternative funding sources (including transaction fees, which much be approved by the IRMC) or lack other funding sources - e-grant provides supplemental or full funding of last resort:
 - Statement of agency contribution to the project by indicating other sources of funding and amounts to be applied to the effort, so that the requested e-grant is supplemental funding.
 - Statement that no other sources of funding for the project are available, so that the e-grant is the only fiscal resource to enable the project.
- Risk adjusted costs/benefits – quantitative analysis:
 - Life cycle costs (development/implementation, operation and maintenance/support).
 - Benefits (tangible, intangible, and timeframe for realizing).
 - Risks (types, potential impacts, and level of control).
- Business/program impacts:
 - Contributions to agency mission, business needs, and program goals and objectives.

- Enabler for business process reengineering and program restructuring for greater performance.
 - Positive impact to the state as a whole for implementation.
 - Negative impact to the state as a whole for rejection or delay.
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- Meets statewide objectives of the E-Government Steering Committee